

**EXHIBIT #12**

## **Benefits of a Standard Tip Share Program**

- Tip Share increases consistency, predictability and fairness of tips:
  - A variety of differing “voluntary” tip-out systems are currently in place in many of our restaurants. Tip Share enables us to formalize a program that is fair and consistent for everyone.
  - As we continue to accelerate growth at SRG, team members will know what to expect if they transfer to another restaurant.
  - Managers will be able to discuss our Tip Share Program during the interview and selection process with prospective hires.
- Tip-Out Team Members\* benefit from a consistent process:
  - Tip Share establishes a consistent process for paying tips. All Servers and Bartenders tip out during check-out at the end of a shift.
  - Tip Share creates a clear, fair standard for appropriate tip-out amounts, as it is automatically calculated by DASH.
- Tip Share Recipients\* consistently receive their fair share of tips:
  - Tip percentage is set
  - Team members receiving tips as a part of Tip Share will no longer wait to be tipped out, or apply “subtle pressure” to get their fair share. Tip outs will be collected as part of Tip-Out Team Members’ checkout process after the shift. Team members receiving tips will collect them from the Manager the following day.
- Long-term benefits of a standard Tip Share program:
  - Because tip distributions are auto-claimed for team members receiving a tip out, accurately recording all earnings positively impacts:
    - ✓ Long-term Social Security benefits when they retire
    - ✓ Worker’s Compensation (If ever needed)
    - ✓ IRS Compliance (Helps to ensure team members claim their appropriate tipped income, eliminating the need for managers to follow up on those who claim insufficient tips)
  - Tip Share places SRG in a better position to continue to be an industry leader in providing Total Rewards and opportunities for our team members.

<b>*TIP-OUT TEAM MEMBERS</b>	<b>*TIP SHARE RECIPIENTS</b>
Servers	Runners
Bartenders	Bartenders
Bar Servers (TCG only)	Bar Backs (S52 only)
	Service Assistants (TCG only)
	Service Assistants – Bar (TCG only)

## **Handling Unique Situations with Tip Share**

### **Sidework Duties**

An essential part of Darden's Core Values is a commitment to Fairness. It's important to treat all team members working in a tipped position fairly by not having them spend more than 20% of their time on tasks unrelated to providing direct service to our guests (see examples below). This standard applies any time a team member is working in a tipped position earning an hourly wage rate less than the non-tipped minimum wage. Applying this standard with our teams may require a change in how we traditionally roll/polish silverware, polish glassware and accomplish other opening, running and closing responsibilities unique to the brand. The new universal side work program was created with the 20% standard in mind.

- Examples of Side Work Duties that should be limited when in Tip Share job code as they would contribute to the 20% standard
  - ✓ Rolling/polishing silverware, glassware, etc.
  - ✓ Filling ice stations
  - ✓ Trash runs
  - ✓ Stocking expo stations with food
  - ✓ Stocking plates, glasses or side stations
  - ✓ Mopping the floor
  - ✓ Cutting fruit/Prepping food
- Examples of Direct Service Tasks that would not fall into the 20% standard
  - ✓ Pre-Bussing/Bussing/re-setting a table
  - ✓ Cleaning floor around a table/bar
  - ✓ Bread/Water service
  - ✓ Helping to set up large parties
  - ✓ Normal ongoing stocking of the bar with plates and glassware for guests
  - ✓ Normal ongoing stocking of server side stations that a server uses to directly serve their guests
  - ✓ Preparing drinks and serving guests at the bar or making drinks for the service bar
  - ✓ Preparing to-go orders
  - ✓ Selling gift cards

## The Capital Grille

2011 TIP SHARE / STATE MINIMUM WAGE CHART Effective September 1, 2011			
State Name	Minimum	Tip Credit Rates	
		Server, Bar Server, Bartender, Runner in Tip Share States	Service Assistant, Service Assistant Bar in Tip Share States
Alabama	\$7.25	\$2.13	\$5.00
Alaska	\$7.75	\$7.75	\$7.75
Arizona	\$7.35	\$4.35	\$5.00
Arkansas	\$7.25	\$2.63	\$5.00
California	\$8.00	\$8.00	\$8.00
<i>San Francisco</i>	\$9.92	\$9.92	\$9.92
Colorado	\$7.36	\$4.34	\$5.00
Connecticut	\$8.25	\$5.69	\$5.69
Delaware	\$7.25	\$2.23	Tip Share Not Allowed
District Of Columbia	\$8.25	\$2.77	\$5.00
Florida	\$7.31	\$4.29	\$5.00
Georgia	\$7.25	\$2.13	\$5.00
Hawaii	\$7.25	\$7.00	\$7.00
Idaho	\$7.25	\$3.35	\$5.00
Illinois	\$8.25	\$4.95	\$5.00
Indiana	\$7.25	\$2.13	\$5.00
Iowa	\$7.25	\$4.35	\$5.00
Kansas	\$7.25	\$2.13	\$5.00
Kentucky	\$7.25	\$2.13	Tip Share Not Allowed
Louisiana	\$7.25	\$2.13	\$5.00
Maine	\$7.50	\$3.75	Tip Share Not Allowed
Maryland	\$7.25	\$3.63	\$5.00
Massachusetts	\$8.00	\$2.63	\$5.00
Michigan	\$7.40	\$2.65	Tip Share Not Allowed
Minnesota	\$7.25	\$7.25	Tip Share Not Allowed
Mississippi	\$7.25	\$2.13	\$5.00
Missouri	\$7.25	\$3.63	\$5.00
Montana	\$7.35	\$7.35	\$7.35
Nebraska	\$7.25	\$2.13	\$5.00
Nevada	\$8.25	\$8.25	\$8.25
New Hampshire	\$7.25	\$3.26	Tip Share Not Allowed
New Jersey	\$7.25	\$2.13	\$5.00
New Mexico	\$7.50	\$2.13	\$5.00
<i>Santa Fe</i>	\$9.85	\$2.13	\$5.00
New York	\$7.25	\$5.00	\$5.00
North Carolina	\$7.25	\$2.13	Tip Share Not Implemented
North Dakota	\$7.25	\$4.86	Tip Share Not Allowed

Ohio	\$7.40		\$3.70		\$5.00
Oklahoma	\$7.25		\$2.13		\$5.00
Oregon	\$8.50		\$8.50		\$8.50
Pennsylvania	\$7.25		\$2.83		\$5.00
Rhode Island	\$7.40		\$2.89		\$5.00
South Carolina	\$7.25		\$2.13		\$5.00
South Dakota	\$7.25		\$2.13		\$5.00
Tennessee	\$7.25		\$2.13		\$5.00
Texas	\$7.25		\$2.13		\$5.00
Utah	\$7.25		\$2.13		\$5.00
Vermont	\$8.15		\$3.95		\$5.00
Virginia	\$7.25		\$2.13		\$5.00
Washington	\$8.67		\$8.67		\$8.67
West Virginia	\$7.25		\$2.13		\$5.00
Wisconsin	\$7.25		\$2.33		\$5.00
Wyoming	\$7.25		\$2.13		Tip Share Not Allowed